(B) Section 1412(b)(2) is amended by striking out "Continuity of service" and all that follows through "such clauses" and inserting in lieu thereof "After an individual begins service in the Selected Reserve within one year after completion of the service described in clause (A)(i) or (B)(i) of subsection (a)(1) of this section, the continuity of service of such individual as a member of the Selected Reserve".

(2) Section 1413 is amended—

(1) in subsections (a)(2) and (b), by striking out "subsection (c)" and inserting in lieu thereof "subsection (d)";

(2) in subsection (a)(2), by striking out "1411(a)(1)(B)(ii)(D)" the second place it occurs and inserting in lieu thereof "1411(a)(1)(A)(ii)(I)"; and

(3) in subsection (c)—

(i) by striking out "paragraph (2)" in paragraph (1) and inserting in lieu thereof "paragraphs (2) and (3)"; and

(ii) by adding at the end of such subsection the following:

"(3) Subject to section 1795 of this title and subsection (d) of this section, an individual described in clause (B) or (C)(ii) of section 1418(b)(3) of this title (other than an individual described in paragraph (2) of this subsection) is entitled to the number of months of educational assistance under this chapter that is equal to the number of months the individual has served on continuous active duty after June 30, 1985.".

(4) Section 1417(a)(1)(A)(ii) is amended by striking out "but for" and all that follows through "of this title" and inserting in lieu thereof "but for clause (I)(A)(i) or clause (2)(A) of section 1411(a) or clause (I)(A)(i) or (ii) or clause (2) of section 1412(a) of this title".

(5) Section 1431(f) is amended by striking out ", under this section," in paragraphs (1) and (2) and inserting in lieu thereof ", under section 1413,".

(5)(A) Section 1434(a)(3) is amended by striking out "employment)" and inserting in lieu thereof "employment during and since the period of such veteran's active military service)".

(B) Section 1641(a)(2) is amended by striking out "employment)" and inserting in lieu thereof "employment during and since the period of such veteran's active military service)".

(6) Section 1434 is amended—

(A) in subsection (a)(1), by inserting "1780(f)," after "1780(c),"; and

(B) by inserting after subsection (b), as redesignated by section 415(b)(3), the following new subsection:

"(c) Payment of educational assistance allowance in the case of an eligible individual pursuing a program of education under this chapter on less than a half-time basis shall be made in a lump-sum amount for the entire quarter, semester, or term not later than the last day of the month immediately following the month in which certification is received from the educational institution that such individual has enrolled in and is pursuing a program at such institution. Such lump-sum payment shall be computed at the rate determined under section 1432(b) of this title.".

(7) Section 1633 is amended by adding at the end the following new subsection: